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TITLE: THE TRUCKING INDUSTRY

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*Canada*

DRAFT STUDY

prepared for

TASK FORCE ON LABOUR RELATIONS  
(Privy Council Office)

*Z Studies*

PROJECT NO.: 55 (1)

Submitted: DECEMBER 1968

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### ACKNOWLEDGEMENT

The author wishes to thank the many people who helped in the preparation of this study. The officials of the Union and Employers' Associations in the three Provinces studied were helpful and provided much information.

Mr. Robin Stuart-Kotze ably assisted in the collection of data. He was able to conduct the interviews in British Columbia and Quebec and report the results to me.

I remain responsible for the statements made.

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## THE TRUCKING INDUSTRY

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## INTRODUCTION

Labour-management conflict has become more and more pronounced in Canada in recent years. Unions and their members have become more restless wanting a more equal distribution of profits while many employers have taken a more determined stand against trade union demands. The combination of these two attitudes has culminated in conflict which has flared to such an extent that the activities of the parties to the collective bargaining negotiations have seriously involved the "public".<sup>1</sup> This has led to a number of studies into labour disputes - for example the study conducted by Justice I. Rand and completed this year.

The labour-management conflict has been even more noticeable because of; the new identities of the parties,

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<sup>1</sup>The term public is an ambiguous term. No precise definition has been formulated. Unless otherwise stated, the term public will be used to describe the general population.

and the nature of the conflict. Canada is now experiencing legal strikes in the public service which have arisen out of the rights of public employees in the Federal government to join unions, bargain collectively and choose the right to strike if desired. Thus the actors are new not only to one another but to the public as well. In addition to new actors in the labour-management arena, the conflict that has arisen in recent years has been more militant and in many cases violent. One only has to glance through the newspapers to find evidence of violence either implied or real. This has disturbed not only the actors themselves but the various other "unbiased" segments of the population concerned. The violence has been quite prominent in a few industries - one of which is trucking.

The purpose of this study is not only to explore the labour disputes that have occurred but to investigate the trucking industry from the standpoint of the industrial relations system that has emerged and to consider the problems of the industry and the actors involved in the industry. This study cannot present a complete detailed picture of such a large and diverse industry. Rather, the nature of the problems studied dictate a more subjective approach and this will provide background information from which further research may be contemplated.

The trucking industry, along with the airlines and railroads, comprise the "mainstay" of Canadian transportation. The amount of goods that are shipped each year over the road, by rail and by air, are sizeable. Work stoppages in these industries can have serious consequences for the economy. Estimates of losses to the economy resulting from the Seaway strike for example are enormous.

In addition to its use as a direct carrier

of goods from one point to another the trucking industry plays a crucial role in inter-modal transportation.

Thus, the truck is the only link between the airline terminal or railway yard and the customer. Therefore it is important to look at and evaluate the system of industrial relations that has emerged to see if this system has helped or hindered the industry to provide adequate transportation facilities to the public and to other producers.

(a) THE MODEL

The approach used in this study is based on the model<sup>2</sup> set forth by Alton Craig. Generally, this model is followed, however all variables in it will not be discussed. The central variable in this model - that of the inputs - will be discussed. An attempt is made to determine the values and goals of the parties. This is a difficult task and is almost always quite subjective. The union and most particularly the managements concerned in the trucking industry do not have a set of formal written statements outlining their goals and values. The goals and values attributed to the parties were taken from interviews held with management and union officials. These goals are the current ones. Long range goals did not appear to be present on either side of the bargaining table.

The environmental variables will be discussed, however the detail presented will not be the same for each.

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<sup>2</sup> A.W. Craig, "A Model for the Analysis of Industrial Relations Systems", paper presented to Canadian Political Science Association, June 1967, Mimeo.

The political system and social system will not be discussed in detail. In both cases, the evaluation of their impact on the Industrial Relations system is mainly subjective. In addition, an exact definition of the social system variable is extremely difficult as Craig points out. Thus the discussion will center around the ecological, economic and legal systems with brief attention to the others.

The variables involved in the Industrial Relations system itself will be discussed: actors; mechanisms to achieve the outputs; and the outputs. The period studied is basically the decade of the 1960's because it is in this period that problems in the system of labour-management relations have erupted. Reference will be made however to the period preceding the 1960's.

#### TOPICS TO BE COVERED

There are five basic topics that will be examined in this paper. These five seem to be the important areas of concern. Within each topic a number of more specific areas will be discussed.

(1) The Economics of the transportation industry with special reference to trucking will be examined.

The importance of this segment of transportation will become clear when the figures on weight of goods handled are shown. In addition, to these data, figures will be presented showing the growth of various kinds of trucking, competition from other segments of the industry and the pricing and profit experiences.

(2) The Goals of the parties involved will be discussed. Unions, management and government goals are examined. The goals of the unions and the

management<sup>3</sup> are those mentioned most frequently in

discussions with the relevant personnel involved.

Major goals are therefore the ones discussed and many

minor items were not mentioned and therefore will not

be reported.

(3) The Collective Bargaining system will be

discussed from two standpoints. On the one hand, the

variables that appear to have an influence on the collective

bargaining system will be discussed. Then, the system of

collective bargaining that has emerged will be shown.

This will provide a description of the type of

system in use by the union and management parties in

the industry.

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<sup>3</sup>Although "management" is used in the singular, it must be realized that in most provinces, an employer's association conducts the bargaining for a group of employers. The membership in such an association is not complete and many companies bargain individually or accept the contract decided on by the Association and the union.

(4) The outputs of the system will be discussed in descriptive terms and in conjunction with the mechanisms that were used to attain the goals. The contract terms of the most recent contracts will be compared with the terms of contracts in the United States.

This is most useful when related to the degree of power used by the parties in achieving their goals.

## AREAS OF THE INDUSTRY TO BE STUDIED

The trucking industry includes all firms who are engaged in transporting goods by means of a truck. This definition is obviously too broad to be workable when considering the intricacies of the industrial relations system. When all trucks are included one is faced with comparing firms whose primary interest is manufacturing, for example, but who transport their production by truck and firms who have fleets of trucks and whose sole business is the transportation of goods for others. Therefore one classification of trucks is by type of operation - "For-Hire" or "Private". In this study, only the For-Hire section of the industry will be considered. It is in this section of the industry that the Teamsters have organized extensively.

Area of operation is another means of classification. That is, trucks are separated into inter-city carriers and urban carriers. The distinction is obvious here. In addition private firm carriers are segregated in the statistics. The above classifications apply both to private and for-hire carriers.

For-hire carriers are further separated into type of clients served, and revenue. With respect to clientele, the common carriers are available to the general public. These carriers may concentrate their activity on certain kinds of commodities but any shipper can hire their services. The contract carriers on the other hand serve a specified group of clients with whom they have contracts for a period of time.

The other classification scheme, applying only to inter-city carriers reflects the major type of cargo carried. D.B.S. separates carriers into the following;

Motor Carriers-Freight, Moving and Storage Household goods. This rather complicated classification system is further broken down. The Motor Carrier-Freight, group is broken into revenue classes. The following classes are used.

CLASS I - Gross Operating Revenue of \$500,000 or more

CLASS II- " " " " \$100,000 - \$499,999

CLASS III- " " " " \$ 20,000 - \$ 99,999

CLASS IV - " " " " under \$ 20,000

One final system of classification should be mentioned. The carriers are required to be licenced by the province. This applies only to the for-hire inter-city section of trucking. There are nine licensing classifications as follows:

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- 4. These classifications are shown in various DBS publications - eg Cat. No. 53-21Q - 220-221-222.

CLASS A,B,C - general freight carriers licenced to carry almost any type of commodity

CLASS D - carriers permitted to transport one type of goods or from one specified shipper to another. This is the authority given to contract carriers

CLASS E - milk haulers

CLASS F - livestock and goods related to building and road construction

CLASS FS - farm supplies

CLASS H - furniture movers

CLASS K - heavy freight

This study will concern only a small segment of the above classifications. The data presented below and the economic data presented in the following sections will bear out the choice of inter-city for-hire carriers.

DBS data indicate that in 1964 (latest data available) private urban registrations represented 39.7% of all registrations - Table I. However, when the net

TABLE I

Registrations of Motor Carriers 1964\*

FARM	33.1%
PRIVATE INTER-CITY	21.2%
PRIVATE URBAN	39.7%
FOR-HIRE	<u>6.0%</u>
	100.0%

\*SOURCE: Motor Transport Traffic-Canada, 1964, D.B.S.,  
Chart I. Cat. No. 53-004.

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5  
ton miles figures are considered, the for-hire section  
of the industry represents 73.8% of the total. In Ontario,  
the difference between registration and net ton miles is  
similar - for-hire carriers represent 6.5% of registrations  
and 65.7% of net ton miles.

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5. "Net-ton miles" has the following definition:  
average weight of goods carried per trip  
multiplied by the number of loaded miles.

Inter-city trucking has grown over the last two decades although there has been a slight levelling off of the rate of growth in the 1960's.

One further note of explanation should be made. The reference to the "union" in this study will refer only to the International Brotherhood of Teamsters (IBT). While the CNTU and CBRT represent some union competition in the industry, their share is minimal. In many areas of Canada where bargaining takes place between a Trucking Association and a union group the smaller unions throw in their lot with the Teamsters and accept the overall package. It should be noted however, that the CNTU is now attempting to exert more pressure than in the past, especially in Ontario, and has been able to come up with one or two excellent settlements. This has, of course, placed more pressure on the IBT to strive for a more profitable package. This factor, combined with

the trend found throughout Canada of the union rank-and-file membership / <sup>exercising more</sup> control over the bargaining procedure, has placed the Teamster leadership in a position of some jeopardy and is exerting heavy upward pressure on trucking agreements.

### ECONOMIC SETTING

The trucking industry faces competition from the railways, airlines, pipelines, and shipping firms. In addition, the trucking companies are faced with competition from other companies in the trucking industry. The for-hire segment of the industry is faced with competition from private firms who may decide to acquire their own fleet of trucks and thus displace some for-hire business. Therefore, the trucking industry has numerous competitors. Basically the three major sources of competition appear to be the railways, other trucking firms and private fleets.<sup>16</sup>

#### TRUCK-RAIL COMPETITION

With respect to truck-rail competition, the trucking firms cite this as the most serious threat to their operations. In actual fact however, the two modes of transportation do not compete directly with

- o. There is little evidence in Canada of "fishy back, birdy back" or other air competition.

one another in all operations. The railroads have a definite cost advantage in long haul operation. The railroads face higher fixed costs on their operations than do trucking firms - for example, higher terminal costs and costs of roadbeds. In the latter case, trucks have no comparable cost. Even though trucking firms pay substantial amounts in the form of gasoline taxes and highway taxes, these are variable costs since they occur only when the trucks are operating. The trucking industry is at a competitive advantage because of low terminal costs and lower costs in terms of maintaining right of way.

The types of commodities carried provides another source of competitive/ The railways are better suited to bulk commodities because of the size of the unit involved. Trucks on the other hand appear better suited to more highly specialized cargoes. In fact, the trucking

industry promotes the nature of its flexibility in meeting the precise, specialized needs of individual firms. With this in mind, the trucking industry attempts to provide "complete" service for a customer in terms of pick up, transportation of the goods over long or short distances and delivery at destination.

The railway has trouble competing with this.<sup>7</sup>

Thus, the trucking industry will enjoy the greatest advantage when it carries commodities over relatively short distances, and the railways will enjoy the greatest advantages when carrying bulk commodities non-stop over long distances. This does not rule out the possibility of trucking firms engaging in long distance hauling however. In fact much of this is carried on. As with short hauls, the flexibility of the trucking industry is a major promotional point here.

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7. The introduction of piggy back services was designed in ports to overcome this service disadvantage.

There are two forms of truck-rail competition which have grown in recent years and which have led to problems in the labour-management relations. These two forms of competition are, piggyback operations, (or trucks on flat car TOFC) and trucking firms owned by railway companies.

When the first piggyback operations were begun in 1952 the unions initial reaction was predictable. The fear that drivers would be reduced in number was certainly a threat. The initial piggyback operations were confined to railroad owned vehicles however and the extension of this mode of transport to the for-hire section of industry did not take place until late in the 1950's. The railways had certain advantages to propose where they inaugurated this service. It would appear to combine the advantages of both trucking transport and rail transport - ie; economy for long hauls, safety, flexibility of the inter-modal

transportation system. In fact, the growth of piggyback operations began to decrease in percentage terms in the early 1960's. The union and management representatives contacted did not see piggyback operations as a serious problem today.

One other form of truck rail competition should be mentioned - railroad-owned trucking companies. These companies have operated basically as individual for-hire companies and have provided much the same type of competition as any other for-hire company. The fear that such companies would become monopolies has not materialized.

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8. U. S. experience has been one of regulation of railway-owned trucking. The ICC judges whether a railway may purchase a motor carrier and insists that the trucking service be supplementary to the rail operations. See Ruppenthal, K. ed., Issues in Transportation Economics, (Chas. E. Merrill Books, Columbus, Ohio 1965), pp 204-212.

## FOR-HIRE --PRIVATE COMPETITION

A second major form of competition that will affect and be affected by the labour-relations system is competition from private trucking fleets. That is, the for-hire section of the industry is in competition with the possibility that companies they serve will decide that it is more economical to buy or lease their own trucks. A survey of firms in 1961 indicated six reasons for companies using their own fleets<sup>9</sup>. These were:

- 1) lower cost
- 2) more flexible services
- 3) better control over loading, unloading transport
- 4) faster transit time
- 5) less loss and damage
- 6) advertising value

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<sup>9</sup>. Adams, E., "Survey of the Ontario Highway Trucking Industry", March 10, 1965, Toronto, mimeo. p. 6.

There are disadvantages however. Companies may face the problem of incomplete utilization of their truck capacity. For example, in 1964, in Canada, private intercity transport utilized only 39.6% of capacity compared to 58.4% of capacity utilized by the for-hire segment of the industry.<sup>10</sup>

The private trucking sector is a real threat to the for-hire sector however. In discussions with union leaders and representatives of the Motor Transport Industrial Relations Bureau (MTIRB), concern was expressed over the number of companies actively considering private fleets. The feeling on the part of the management is that the history of labour unrest in the for-hire section of the industry is too onerous to continue using this method.

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10. D.B.S. Cat. No. 53-207, p. 12, 1964.

Greater continuity of service, more peaceful labour-management relations and lower costs are suggested as current reasons for considering changing to private fleets.

The DBS data indicate that private inter-city traffic

volume has remained about one-third of the for-hire

volume over the last eight years<sup>11</sup>. However, in view

of the fact that private trucking has less capacity

utilization than for-hire trucking, a more meaningful

indicator of the trend in private trucking would be the

population statistics. Comparison of data for the

period 1960-1964 appears to indicate that private

truckling, inter-city and urban, has experienced a

somewhat/growth rate than for-hire trucking — Table II.

TABLE II

COMPARISON OF FOR-HIRE, PRIVATE URBAN AND INTER-CITY  
TRUCK POPULATIONS 1960- 1964\*

YEAR	FOR-HIRE	% CHANGE	PRIVATE			
			INTER-CITY	% CHANGE	URBAN	% CHANGE
1960	55,016	-	185,919	-	306,620	-
1961	58,306	6.0	198,804	6.9	314,848	2.5
1962	60,527	3.8	193,568	-2.6	324,850	6.8
1963	60,567	.7	202,711	4.7	334,730	1.8
1964	61,760	2.0	219,357	8.2	341,518	1.8
1960-64		12.3		17.8		13.4

\*SOURCE: D. B. S. - Motor Transport Traffic - Canada 1960-64

Thus there is cause for concern that private trucking may be providing very close competition for the for-hire sector. With respect to total weight of goods

carried; the for-hire sector has shown substantial increases whereas the private sector has been stable or even declining. This apparent conflict in data can be resolved when one recalls that capacity utilized in the private sector has been stable whereas in the for-hire sector the percent of utilization has been increasing.

There is one other aspect of private sector competition that should be considered. This is the use of brokers and lease-operators. Some companies have engaged in leasing trucks to shippers and until 1962 many such firms would bypass the Public Commercial Vehicle Act, (P.C.V.). Now the act has been altered so that leasing arrangements are more adequately covered under the Act. There is however a "grey" area where the use of lease arrangements is causing a problem in

union-management negotiations. This is the area of broker-owners, i.e. the individual who owns his own truck and leases the equipment and his services. In many cases these owner-operators are acting in contravention of the law by escaping licensing arrangements and also coverage by the labor agreement.

#### COMPETITION WITHIN THE FOR-HIRE SEGMENT

Competition within the industry has taken place largely on the basis of service. The trucking industry is characterized in many respects by relative ease of entry, and the absence of a tendency for increasing firm size.<sup>12</sup> The companies in the industry vary greatly in size. There are a few very large firms and numerous small trucking firms. The aspiring entrant to the for-hire inter-city sector of the industry must now prove that his services are needed by a number of shippers and that the existing firms cannot or will not service these shippers' needs. This has decreased the ease of entry

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This situation has led one writer to comment: "[the trucking industry] epitomizes the classical model of perfect competition." See D. Locklin, Economics of Transportation, (R. Irwin Co., Homewood Illinois, 1966) p. 648.

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somewhat, however some instability remains as a result of the low barriers to entry.

The main regulatory device is provided by the licensing procedure used to indicate the exact area of operation of a particular truck. The government controls this and in some cases, specific licenses are difficult to obtain. A license is very complex and often specifies the routes which must be followed as well as the commodities to be carried. There are some sections of the industry where entry is substantially easier than others, thus overall the situation appears somewhat unstable. In the for-hire, inter-city segment, entry is not as free as in other areas and here the size of firm has tended to be much larger than in the other areas. One finds then, a higher concentration of union organization in this sector.

### GOALS OF THE PARTIES

This section will attempt to provide a summary of the major goals of the union and management groups. It is very difficult to provide a "shopping list" of goals because of the problem of omitting some items that may be significant and because it is difficult to assign weights to the goals to reflect their importance. The goals of the parties change over time depending on the leaders of the parties, economic climate and state of labour-management relations. A complete picture of the goals is a monumental task and there is not time or space available for this here. In fact, such an undertaking would require reliance on peoples' memories of items considered in bargaining in the past and this is a difficult and often imprecise undertaking. The following sections will report the results of conversations held

with union and management officials in Ontario, British Columbia and Quebec. These three areas represent the major union-management negotiating arenas and will serve at least as an indicator of national goals.

#### (3) UNION GOALS

There are numerous goals that the union officials hold and hope to attain. In fact every change desired in a contract, can be counted as a goal even if only one word or a small phrase is involved. The goals discussed in this paper have been narrowed down from the many presented to management until the few major and continuing goals of the union remained. Thus, while only three or four goals are presented, these appear to be the ones that cause the most concern and are common throughout Canada.

(1) Brokers

The question of leasing of owner-operated tractors, or "broker" operations, is one which is subject wide disparities in its importance across the country.

The broker arrangement consists of the sub-contracting out of work by a shipper to an individual who owns his own piece(s) of equipment. The owner contracts with the shipper to haul particular goods or haul over particular routes. In most cases the financial arrangements consist of share of the revenue. The broker or owner-operator assumes all responsibility for maintenance of his equipment and scheduling and is paid a certain percentage of monies collected.

While it would be extremely difficult to come up with an accurate estimate of the amount of leasing that goes on in the industry as a whole, the figure would probably lie in the 10 to 15% range. However, specific

figures on broker operations vary from 100% broker-owned fleets in the Prairies to completely Company-owned fleets in other areas of Canada. Because of the threat which a broker-operated tractor poses to the trucking union, the control of and ultimately eradication of this type of operation is a prime goal of the Union across the country.

Some broker operations are legal and create no problems from this standpoint. Trucking firms are not prevented by law from using owner operators provided these individuals have registered their equipment with the regulatory body in the province in which they intend to operate. An individual, so registered may then engage in a leasing operation. This form of leasing should not be confused with the illegal broker operations which are causing problems in Ontario and Quebec. These so-called lease-operators are violating Federal and Provincial

motor-carrier laws by evading licensing provisions and falsifying shipping documents. They are truckers who are operating as Public Commercial Vehicle Operators without possession of an operating license as required by the Public Vehicle's Act or the Public Commercial Vehicles Act.

In the province of Ontario the Union considers broker-owners and illegal broker-operators to be a major thorn in their side. The union officials look upon the existence of brokers as a safety problem and as a ~~destructive~~ force to union strength. The problem of decline in union strength can be answered first. Since the broker-owners are leasing both trucks and drivers to the trucking companies, these drivers are not employees of the company. Thus, there are groups of workers in unionized firms who will fall outside the bargaining unit. The union does not

collect dues from these individuals nor can it expect their allegiance in time of industrial dispute. In some cases, a firm will lease all its equipment and thus in an industry where the union is dependent upon cohesive actions by its members, present a serious problem to the union. The union also criticizes the use of brokers because they can represent a serious threat to safety. As mentioned previously, the brokers are paid a share of the revenue. Thus it is in their interest to operate their equipment as much as possible and carry as many loads as possible. This frequently leads to the use of methods to allow drivers to complete numerous long hauls within a short period of time- "stay-aware pills".<sup>13</sup> The union in Ontario contends that these owner-operators use such pills frequently and either become accident victims themselves or cause accidents.

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13. I.M. Dodds, "The Danger of Excessive Work Hours in the Transportation Industry," p.8 (mimeo)

The leasing of equipment is practical for a number of reasons. Basically the shipping firms can transfer the costs and risks involved to the independent owner. In the Prairies and in Northern Ontario, use of brokers is quite widespread. In this case equipment maintenance is high and risks arising from the length of haul or condition of roads makes this type of arrangement much less costly for the shipper. The existence of brokers seems most prevalent in the long haul section of the industry, however there are broker operations in the short and medium hauls as well. There is little information about the number of brokers in the industry thus the exact trend in their use is not available. In the Prairies the impression given to this researcher is that the practice is generally declining because the improving financial position of the companies allows them to own their own equipment.

The area of dispute between the union and management in these cases is the classification of the employees or independent contractors. The question is the amount of control exercised by the carrier over the broker. The greater the control the more the likelihood that the broker will be considered as an employee.<sup>14</sup> The U.S. Interstate Commerce Commission has established rules governing the use of owner operators in an attempt to provide more regulation to eliminate the problem of risk taking on the part of these operators. The licensed carrier must maintain close control over both truck and driver to ensure compliance with safety regulations.

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14. A number of decisions in the U.S. indicate that owner drivers are employees of the company. See also Canada Labour Relations Board decisions: Re: IBT and Gill Interprovincial Truck Lines, March 1962; Re: IBT and Pacific Inland Express and Re: IBT local 938 and Hume's Transport Ltd., Sept. 1963.

Also the lease arrangement must be for at least thirty  
15  
days.

The union in Canada has taken two lines of  
action with respect to owner operators - one is  
legislative, the other via collective bargaining. The  
Canada Labour Standards Code has led to a more deter-  
mined effort along both fronts.

(2) HOURS

The determined efforts by the union to deal  
with hours of work has occurred only recently. Until  
1966, the union had demanded no change in working hours  
since the decade of the 1950's. British Columbia,

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15. R.D. Leiter, The Teamsters Union, Bookman Associate,  
N.Y., 1957, p. 151.

Teamsters had negotiated 40 hour weeks in the late 1950's but hours of work in the other provinces ranged from 44 hours to 50 hours per week. The nature of the industry - weather conditions, scheduling problems etc. appears to support a flexible ceiling, on hours of work. The Canada Labour Standards Code, 1965, sought to establish a 8 hour day/40 hour week for all workers under federal jurisdiction. The trucking industry was excluded from the Code's regulations for eighteen months while studies could be made of the impact such a reduction would have.<sup>16</sup>

The provincial regulations vary widely as do the agreements made between union and management.

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16. See for example, Murchison, C.A.L, "Hours of Work in the Trucking Industry under Federal Jurisdiction", Dept. of Labour, Canada, 1967.

In British Columbia, Provincial legislation specifies no maximum limit on hours worked, since it exempts the trucking industry from the Hours of Work Act. However, what the legislation does is to impose an 8 1/2 hour day and a 47 hour week limit on work at straight time rates, and thereafter requires overtime to be paid at time-and-a-half on hours in excess of an 11 hour day. The General Master Agreement between the Teamsters and the Automotive Transport Labour Relations Association goes further. Again it does not set a maximum number of hours but defines a work day as consisting of eight consecutive hours of work and a work week as consisting of five eight hour days in the period from Monday to Friday. Overtime is then payable after eight hours in any day and 40 hours in any week.

British Columbia also has in its major trucking agreement a rather unique clause guaranteeing those employees in the top 60% of seniority classification a minimum of 40 hours wages per week. These top 60% of senior employees are also given the option of more favourable work week and shifts.

With these provisions included in the General Master Agreement Hours of work have become a minor goal of the union in British Columbia. These provisions came into effect on January 1, 1967 in a two-stage agreement.

Article 20 of the Ontario Agreement sets out hours of work in Ontario, effective January 1st, 1968, to eight hours per day and 40 hours per week after which overtime will be paid. Before this, hours of work were an issue, but as of the New Year the problem appears solved. It's interesting to note that in the 100 day strike of 1966,

hours of work were a much more important issue than wages, etc. and the union managed to reduce hours from 48 to 40 over a three-stage process.

In the Province of Quebec, hours of work are laid down by the Decree Relating to the Cartage Industry.

Section 5 states:

"The standard working week shall be one of not more than fifty (50) hours. All work performed in excess of ten (10) hours per day, Monday to Friday inclusive, or fifty (50) hours per week, shall be paid at the rate of time and a half. All overtime in excess of the weekly work. Saturday to be time and a half."

Because of the discrepancy in hours of work between Quebec and Ontario and British Columbia, the Union is vitally concerned with this issue. However, under the system as it exists in Quebec, the Union experiences a great deal of difficulty in expanding its sphere of influence and therefore it would seem unlikely

that it could exert too much pressure with regard to hours of work.

In general, truckers do not wish a maximum number of hours to be decreed anywhere in Canada, but they are eager to have a stated maximum of regular rate wage hours after which overtime rates will apply.

The environment and mode of living of the trucker is one which fosters a spirit of independence and private enterprise, and as a result employees are willing or even eager to work long hours for additional pay.

Concern over hours is more national in scope now so that uniformity will exist in the industry. Now that Ontario and British Columbia are more uniform, other provinces will hopefully follow along.

(3) NATIONAL CONTRACT

The teamsters union in the U.S. has pushed for and succeeded in obtaining a national contract. In Canada this objective has not been accomplished although the union officers consider it as a goal to be won in the future. In both countries, the union organization began at the local level with strong autonomous locals. In the U.S., development has proceeded to a stage where national bargaining is a fact. In Canada the opposite remains the case.

In the U.S., the unionization of the over-the-road drivers led to contract comparisons among cities and a subsequent pressure for more standardized forms of contract items. Thus the progression was from local bargaining to city-wide bargaining to regional

and then national bargaining. The pressure for this progression in the years since Hoffa's rise to power, come from this man. The emergence of a strong key figure whose goal was a national contract on monetary and non-monetary items was a crucial factor in the ability of the Teamsters Union to achieve this type of document. In the last negotiations, non-monetary issues were the only items covered by the national agreement with wages etc. left to the locals. However, there is similarity among these monetary items.

In Canada there has been no key central figure emerge to take command. There are some key figures in the union and there is a central figure but no two variables seem to occur in one man. The union officials consulted in Ontario and British Columbia were in favor of a national contract whereas in Quebec the subject receives little attention. In Ontario the union officials put emphasis

on achieving a national contract but recognized some serious problems in reaching this goal. Before a national agreement can be reached the wage differentials across Canada will have to be eliminated or at the very least narrowed. In Ontario for example, there was an institutionalized system of wage zones with differentials maintained. The union has demanded a removal of these differentials and has been successful in this. Thus, the Ontario Teamsters are busy "cleaning their own house" and attempting to get a standard Province wide system before seriously considering a national system.

The Teamsters Union in British Columbia, for a number of reasons, is able to exert considerably more power at the bargaining table than the management group in that Province. This has been demonstrated in recent strikes in the Province which have not lasted in excess of five days. The terms of the General Master Agreement

in British Columbia are as good as or better than, from the Union's point of view, those found in any other area of Canada. Questions of broker-operators, hours of work, wage scale etc., are all satisfactorily settled for the Union, at least for the time being, so that the Teamsters in British Columbia have now directed their attention at the bargaining table to such issues as social security, medical aid etc., and are the first group within the union in Canada to be seriously considering a move toward a national contract.

While the national contract is not as yet a prime goal of the union in B.C. it is gaining in importance rapidly. The leadership in the province, provided by Mr. T.M. Lawson, the International Brotherhood representative in the West, is dynamic, forward-thinking, and eminently capable. The B.C. Union has also experienced

what the Unions in other areas in Canada have not; some longer-term stability as a result of its superiority over management at the bargaining table.

In the Province of Quebec, the subject of a national contract is of very little importance to the industry. Quite obviously their energies are directed towards the more immediate problems at hand, and they feel that until they can gain parity in wages, hours of work, etc., with the other regions of the country they will not expend any energy towards exploring the possibility of such a contract. It is also doubtful whether under the Decree system in the Province that such a contract could be made valid. The legal complications resulting from this piece of legislature might well prove difficult.

The situation then, can be characterized by a number of power centres specifically in B.C. and Ontario.

The individuals involved are not yet ready to relinquish some of their power in order to have a national contract.

The key figures then are most concerned with problems in their home areas and no one has emerged as a power in the Teamsters in Canada. There is a central figure- the head of the Teamsters union in Canada - Mr. 'Casey' Dodds.

Neither his office nor his personal power are of sufficient strength to provide the leadership necessary to override regional differences and secure a national contract.

That such a system will occur in the future seems inevitable, however, the "future" is very difficult to quantify.

#### (4) GRIEVANCE PROCEDURE

This is mentioned as a specific union goal and management goal for two reasons. First, efficient and effective grievance machinery is at the heart of stable labour-management relations. As such, all parties have

a vital concern over its operation. Second, the parties have provided quite different procedures than occur in U.S. and so provide an interesting contrast.

The Teamsters union in the U.S. has succeeded in securing an open-end grievance procedure, the end result of which can be the imposition of sanctions - strike - instead of impartial arbitration by an outside source. This means that the union can wield very great power if it so desires. In Canada this type of grievance machinery does not and in some provinces cannot exist.<sup>17</sup> In Ontario, Quebec and British Columbia, the three regions receiving attention in this study, the contracts provide for final and binding

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17. see the labour relations statutes in Labour Relations Legislation in Canada, Canada Department of Labour, mimeo 1967, pp. 240-252.

arbitration by an impartial party. In two of the three, Ontario and B.C. there are alternative routes for solving grievances.

The grievance procedure laid out in the General Master Agreement for British Columbia contains a significant change in what might normally be regarded as the settlement of grievances. An alternate route to formal arbitration, entitled The Interpretation Committee, is provided. Article 30, Section 2 sets out the Interpretation Committee as follows: "The Interpretation Committee shall consist of six members, three members who will be appointed by the employer or employers and three members who will be appointed by the General Truck Drivers and Helpers Union in Local 31." Sections 3, 4, and 5, go on to outline the powers of The Interpretation Committee as follows: Section 3 "Submissions to

The Interpretation Committee shall be in writing and shall clearly state the section of the Collective Agreement to be interpreted together with a brief statement of the pertinent facts.

Section 4. The Interpretation Committee shall meet within seven (7) days of the referral of a question of interpretation of the Collective Agreement from one of the parties to this Agreement pursuant to Article XXIX Section I herein.

Section 5. If the Interpretation Committee is able to arrive at a unanimous interpretation of this Agreement, such decision shall be binding upon the party hereto. If a unanimous decision is not reached, either party may refer the question to arbitration as hereinbefore provided.

This Interpretation Committee or "Inside Board" as it is otherwise called, provides an alternate mechanism

to arbitration by which the union and the employer can solve their differences among themselves. Because of the even number of members on the Interpretation Committee there must be actual agreement on the dispute in question and the two sides cannot simply vote along "party lines".

Article 29, Section I describes the grievance procedure and puts the Interpretation Committee in its place.

"Whenever any dispute arises between the Company and the Union or between the Company and one or more employees, the men shall continue to work and the dispute shall be taken up with the company within thirty (30) days and adjusted between the representatives of the Company and the representatives of the

Union if possible PROVIDED THAT with any stage of the grievance procedure, either party may refer a question involving an interpretation of a specific section of this Agreement to the "Interpretation Committee" hereinafter referred to for its decision, which decision, if unanimous, shall be binding on the parties to the grievance procedure. No such submission to the Interpretation Committee shall be made unless the question to be determined involves an interpretation of one of the clauses of this agreement . It is understood that there shall be no time limits respecting referrals to the said Interpretation Committee. If such dispute cannot be adjusted, it may then be submitted by either party to arbitration..."

### The experience with the Interpretation

Committee or "Inside Board" in British Columbia has

been one of rather limited success. Unlike the arbitra-

tion system in Ontario which generally uses judges

to chair boards of arbitration, British Columbia has a

more open policy and most often labour lawyers are

chosen for these boards. As a result the parties in

question do not fear they will be subjected to a

decision made by someone not necessarily familiar with

the problem involved. The "Inside Board" has failed to

break down into a free and objective discussion of

the matters at hand, probably because of the lack of

pressure due to any dissatisfaction with the legal

arbitration procedure as it stands in B.C. An estimate

of the number of grievances going before the "Inside

Board" would not exceed 10% of all grievances.

The grievance procedure in Quebec is similar to that in Ontario, with the exception that judges are exclusively used in the arbitration procedure according to provincial legislation. Both the Union and Management are dissatisfied with this arrangement, mainly on the basis that the arbitration procedure is not necessarily one of a question of law, and that from time to time as circumstances dictate, arbitrators may be appointed who have little or no knowledge of the trucking industry itself. It is felt therefore that these arbitrators are unable to weigh the factors in a trucking dispute as sensitively as others might.

The Teamsters Union therefore has as one of its prime goals, the changing of the grievance procedure in Quebec. However, like British Columbia where an uneven

balance of power between labour and management also exists, although in the opposite direction it seems unlikely that an "Inside Board" or interpretation committee type of arrangement can be successfully worked out.

In Ontario there also exists an "Inside Board" composed of four members - two from union, two from management. The parties appear to be very satisfied with this board and available data from discussions with the parties indicate that approximately 90% of the grievances are referred to this Board. The success of the Board can be measured by the fact that about 80% of the grievances referred are settled. The union officials felt the inside board was good in that it kept the members informed of what was going on, allowed constant contact between the parties and was cheaper and faster than outside arbitration. To this

could be added the desirability for industrial peace of the two parties working together to solve rights disputes.

The union and management groups in Ontario have another system for solving problems that others do not have. This is a monthly meeting where both sides meet to discuss problems of mutual concern. These meetings are designed to solve problems before they become crucial issues and to ease the path to meaningful collective bargaining. At these meetings, contract terminology is discussed and decisions made are binding. As a result the contract can be altered during its term. Both parties felt that during the first year of/contract, the meetings were fruitful and much meaningful discussion and policy decisions were carried forth.

However, after this, the meetings turn into long bargaining sessions. The view seemed to be that there was a point after which the meetings were not harmful, but their value was somewhat questionable. The value would seem to be in continuous bargaining as a prelude to peaceful and meaningful contract negotiation. This does not appear to have occurred in Ontario and more research is needed on the techniques of this procedure for continuous discussion.

(5) OTHER

The union locals have numerous other goals that they wish to achieve; however, the above four were most prominent in the discussions held with union and management officials. The other goals stated by the union, were wage parity (subsequently achieved in the 1968 contract/ in Ontario) improved pension plans and medical premium payment scheme.

In addition further attention will be paid to the question of brokers and hours of work. One other item about which the union feels quite strongly is the extension of contract average to any new terminal opened by a company. This has caused a problem in Ontario when a company shifts some operations or begins new operations. Until the new contract is negotiated, the new terminal remains non-union. This is significant especially if the opening of new facilities occurs at the beginning of a three (3) year contract. Piggyback has caused some problems; however, it appears to be of declining importance. There are provisions in the contract in Ontario to aid via relocation, workers affected by this form of subcontracting.

The foregoing has suggested the major  
areas where the union<sup>locals</sup> are concentrating their interest.

In any contract, there are scores of items requiring  
change. These are the major issues only.

5a(b) EMPLOYER GOALS

Discussions with employers brought out three goals. There are many more of course; however, most employers react to the union demands rather than formulate a list of goals themselves. Goals of the employees appear to be based on what the employers think the union will demand rather than on a list of 'management' goals or what the company will demand.

(1) HOURS

The employers surveyed, did not want a maximum put on hours of work. They felt that the right/ <sup>to work</sup> long hours was jealously guarded by the workers themselves. In addition, forcing a maximum after which overtime would be paid, would increase labor costs and cause serious scheduling problems for the employers. The reduction in hours would/ be tolerated not by the union if earnings would also be reduced. The hours restrictions, if implemented, would have the effect of

increasing the use of brokers, increasing the amount of  
free-lancing and increase the competition between  
the private and for-hire sectors of the economy.<sup>18</sup>

(2) GRIEVANCE PROCEDURE

The Automotive Transport Association of B.C. seems relatively satisfied with the workings of the grievance procedure as it stands in the province. They claim a preference for the use of the "Inside Board" or Interpretation Committee but admit that when this procedure was tried it broke down. Neither side in this Committee seemed willing to cross the floor and break party lines, and

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18. The Extra-Provincial Trucking Industry and Part 1 of the Canada Labor (Standards) Code, Canadian Trucking Associations, pp. 87-91

perhaps this is some function of the disparity in bargaining power between the two groups.

In the Province of Quebec, on the other hand, while management expressed the view that the arbitration procedure was not ideal, they seemed basically pleased with the result. A cause for their satisfaction with the system could well be that under the provisions of the Provincial legislation governing the industry, and in light of the weak position of the Union, they "win" a large percentage of disputes anyway.

In Ontario, management is satisfied with the grievance procedures but noted some improvements could be made. The employer representatives stated that the system in the U.S. - striking over grievances, was totally unacceptable. They had reasonable praise for the effects of the monthly meetings as a means of solving problems before they reached the stage of impasse. The problems that the employees found in the operation of these monthly meetings

centred around the complaint that after the first contract year the meetings turned from a vehicle to solve contractual problems to one of continuous bargaining. Since any policy decision made in these meetings is binding, this could have dysfunctional effects.<sup>19</sup>

### (3) UNION POWER

This variable is the most troublesome one facing the employers, especially in Ontario. Union power in Ontario has manifested itself in two ways - the existence of wildcat strikes and reprisals. Between 1959 and 1962, a total of 127 wildcat strikes occurred<sup>20</sup> during the life of the contracts. The number of such strikes has declined after this period; however, the threat remains. The union gains considerable leverage during these strikes because of

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19. There could also be beneficial effects if both sides approach this with maturity.

20. Discussions with employer and union representatives.

the vulnerability of one or a few employers. The competition between the for-hire segment and private trucking as well as competition with rail, air, etc. becomes more important during wildcat strikes. The trucking companies must offer continuous service or private trucking becomes a logical choice for many shippers. The occurrence of this type of strike can be eliminated or at least reduced considerably by an effective, efficient grievance machinery. This may be one reason for the <sup>current</sup> decline in wildcat strikes during the life of the agreement.

There have been wildcat strikes (often accompanied by violence) during contract negotiations. This was particularly noticeable in 1966. The union at this time attempted to isolate one or a few employers in order to force them into breaking away from the employers organization and settle the contract dispute with the union. This, if successful, would give the union a good lever for settlement

with other companies. The managements attempted to fire offending workers for their wildcat activity and sue the union for damages. The union insisted on removal of all these "reprisals" before agreeing to settlement of contract terms. This was agreed to by management.<sup>21</sup>

These two examples show part of the reason for Ontario management fears of Teamster power in the province. The other part of the reason concerns internal union struggles which will be discussed below.

The effect of wildcat strikes during contract negotiations can be countered somewhat by lockouts by the other employers. However, loss of business

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21. The union spokesman contacted stated their reason for demanding this as a settlement condition was one of economics - if management won, the union treasury would be severely drained. Management gave in because their insistence on a lawsuit would lead to costly litigation and perhaps more labor grief.

to companies who are not members of the employers' association and the likelihood that shippers will purchase their own trucks cannot be ignored.

The management group in British Columbia feel that their main problem originates from the imbalance of negotiating power between management and labour. The Teamsters Union is without doubt the more potent bargaining force in the Province. This has been evident in the recent past whenever negotiations have occurred. No strike within the last five years has lasted longer than five days.

The imbalance of power results from the fact that the membership of the Automotive Transport Association of B.C. is not a cohesive one, and the industry as a whole is somewhat undercapitalized and therefore worried about recovering business lost to a competitor during a strike or lockout.

Management is worried about this situation for a number of reasons. Foremost is the fear that leadership in

the union is slipping, as more militant elements in the rank-and-file, encouraged by past successes in obtaining settlements in excess of those recommended by the leadership can be expected to over-ride future agreements and goad the union into making irresponsible demands. Weaknesses in the strike-vote machinery, which allow the union to threaten, and then vote on a strike without taking subsequent concrete action, are felt by management to encourage irresponsible action.

It should be noted however, that work stoppages and general labour unrest in the trucking industry in British Columbia have been minimal. The uneven balance of power has not resulted in any extended strikes or lockouts, and the parties have rapidly come to agreement. It would seem that in spite of their near control of the bargaining process the Teamsters Union have approached contract negotiation

in a sensible manner and have not attempted to gain any settlement which would drive employers out of business.

In the Province of Quebec, the situation is reversed. Here the whiphand is held by the employers. The Trucking Association of Quebec is a tightly knit and smoothly functioning organization, while the union it faces is beset with organizing problems and is restricted in its development and growth as a result of the Decree Relating to the Cartage Industry. While exact figures would be hard to come by, something in the area of 35% would represent the total unionized portion of the trucking industry in Quebec. Therefore, with such leverage, the Trucking Association holds the balance of power at the negotiating table.

Once again, in spite of, or perhaps as a result of, this imbalance of power, labour unrest and work stoppages in Quebec have been minimal in recent years.



COLLECTIVE BARGAINING SYSTEM

(a) VARIABLES AFFECTING THE SYSTEM

(1) History of Union and Employers' Association

The two parties involved in Ontario are the Motor Transport Industrial Relations Bureau (hereafter called the Bureau) and the International Brotherhood of Teamsters (hereafter called the Teamsters). The competition for members confronting the Teamsters comes from the CBRT - Canadian Brotherhood of Railway Transport and General Workers. This union has organized the employees of railway operated trucks and these men remain at work during Teamster strikes. In British Columbia and Quebec, the union and employer history is of less interest than in Ontario. In British Columbia the employers association is very young and is not a cohesive group. The association has not put up a strong answer to union demands and the balance of power appears to rest with the union. The leadership in the west under Edward Lawson and Blair Whitelock has been stable and

mature and this may account for the reasonable stability of the relationship between union and management. In Quebec, the situation is quite different. Here the employers appear to have the dominant role largely as a result of the decree system.

The Decree, in effect, is a pattern for the agreements between management and the unions, and is the collective agreement governing the conditions of work in the industry, regardless of whether an operating firm is unionized or not. In other words, the unions do not have any different terms of employment than the unorganized workforce, as all companies are forced to abide by the agreement as stated in the Decree.

The two bargaining groups are the Teamsters, for the unions, and the Trucking Association of Quebec Inc., for management, because they are the largest cohesive groups on

either side. These two bodies "agree" to the terms shown in the Decree, and then everybody else is forced to go along. As one can see, this makes it difficult for the unions to exist let alone expand. The management group are only too happy to have the situation continue.

The Bureau in Ontario was established in 1946 by the Vice President of the IBT. The union was beginning to grow very quickly and desired a collective bargaining situation in Ontario similar to the one in the United States - i.e. multiple employer bargaining. This request was acceded to and the MTIRB was founded. The number of companies who bargain with the union through the Bureau has grown from the original 22 to over 75 at present. The Bureau does not represent all unionized firms in the Province - some firms bargain individually with the union, however their contracts are patterned after those won by the union in its bargaining with the Bureau.

There is a serious lack of data about the Teamsters in Canada and in Ontario. Repeated efforts to secure figures on union membership, dues paid, breakdowns

number of  
of dues and/members met with little success. In fact,

this researcher was told that the only source of figures was Teamster headquarters in the United States and even

here success in obtaining/<sup>data</sup> was not complete. The available

data do indicate that in mid- 1968, the Teamsters have a total membership of 44,611 members across Canada, 85% of

whom are in the provinces of Ontario, British Columbia and Quebec. In Ontario, there are 21,000 members. The member-

ship pattern of the Teamsters reflects relatively accurately the concentration of trucking in Canada. The Atlantic

Provinces have a total combined Teamsters membership representing slightly in excess of 3% of the Canadian membership and

the Prairie Provinces of Manitoba, Saskatchewan and Alberta make up the remaining 10% or so of membership.

The above-mentioned breakdown corresponds to the organizational breakdown of the Teamsters Union in Canada. There are three Teamsters representatives in Canada: one for the West, one for Central or Ontario area and one for Quebec and East. These three areas in turn correspond to the main bargaining areas in the United States, namely the Western, Central and Eastern Conferences of the Teamsters Union. One of the more striking observations of this study<sup>7</sup> has been that union influence in the trucking industry is centred along a north-south axis rather than an east-west one. As the systems in British Columbia, Ontario and Quebec are examined, it will be noted that relatively large differences exist and that there seems to be a marked lack of communication between the three Canadian districts. While Mr. I.M.(Casey) Dodds is officially the National Director of the Canadian Brotherhood of Teamsters it, his influence seems minimal and

his position one of name only.

In Ontario, there are 12 locals representing  
the workers:

LOCAL	91	-	Kingston
LOCAL	141	-	London
LOCAL	230	-	Toronto
LOCAL	352	-	Toronto
LOCAL	419	-	Toronto
LOCAL	647	-	Toronto
LOCAL	847	-	Toronto
LOCAL	879	-	Hamilton
LOCAL	880	-	Windsor
LOCAL	938	-	Toronto
LOCAL	989	-	Deep River
LOCAL	990	-	Port Arthur

Of these, only five locals are party to the  
General Freight Agreement - Locals 91, 141, 879, 880 and  
938. The total number however form the Ontario Joint  
Council. This group is allied with the Central Conference  
of Teamsters in the United States. In fact, discussions  
with union officials indicated that the ties of allegiance

are North-South rather than East-West. This is another reason, Canadian Teamsters are not a cohesive national unit. The Ontario Teamsters joined the Central States Conference in 1961 in recognition of these ties and because the Canadian Teamsters organization was not only ineffective but virtually non-existent.

The union in Ontario seems relatively weak. This is not to say the striking power is weak, rather cohesion and integration are lacking. The union is unlike that in the United States. There the national union is the powerful body and the locals have less autonomy in bargaining. Thus one finds nation-wide master agreements beginning in 1964. These agreements have been confined to non-economic issues so that the local unions still bargain over wage issues. In Ontario, the opposite is true. The locals in the Province jealously guard their autonomy and often act independently. The leadership of the locals has often been in conflict and at

times overt conflict has erupted within the locals as well.

The Toronto, Hamilton and Windsor locals have all undergone periods of trusteeship and there was a likelihood that this would happen again in the summer of 1968. The reason for these periods of trusteeship appears to be that the locals have been unable to govern themselves peacefully and the International union has found it necessary to appoint someone to guide the locals. Even the trustee of the Toronto local became involved in internal union problems and his removal was requested. The Joint Council of the locals requested his re-instatement. Thus, the internal union politics have been and apparently still are in turmoil.

The factionalism evident in the Ontario locals arises from two sources. One is the general membership conflicts that occur in any union. The other and more important faction appears to be political in nature. The Toronto

Local 938 has been the scene of the most overt struggles in terms of the political factionalism. This inner struggle both within the local and among locals has led to lack of cohesion in the bargaining procedure. In fact, some local leaders openly criticized other leaders during negotiations and turnover on the bargaining team occurred. The locals then, have not presented as strong and united a force as might be the case without this dissension.

The employers association on the other hand has been remarkably strong. This is in direct contrast to the United States where the associations are ad hoc rather than continuing bodies with permanent staff. Discussions held with one of the state associations in the U.S. brought out the following facts:

- (1) The association was formed each year for bargaining purposes only

- (2) The association hired a lawyer to assume control of the bargaining. This was not a permanent arrangement.
- (3) The members knew which companies the union would likely strike, if necessary.
- (4) The ability of these companies to withstand a strike was known and most members knew the struck firms would capitulate.

The bargaining was between a strong, united union and a weak, quite ineffective employers association. The Teamsters have been able to strike or pose a strike threat to selected terminals of a trans-continental carrier. This pressure usually succeeds and the company or companies affected capitulate.

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- 22. In the last contract negotiations<sup>in the U.S.,</sup> the employers locked out, which must have surprised the Teamsters.

In Ontario the Bureau has been able to keep the employers from breaking and signing early.

The Bureau has been remarkably strong. There are numerous reasons for this:

- (1) The Bureau is a continuing body with permanent staff who represent the employers at negotiations, arbitration cases, the monthly meetings, and before Royal Commissions, Task Forces, etc.
- (2) The Bureau is facing a fragmented union in terms of integration and cohesion.
- (3) The Bureau's record has been satisfactory in its dealings with the union.
- (4) Ontario employers are not as susceptible to the techniques employed by the Teamsters in the United States. This means their solidarity is more easily assured.
- (5) The employees have maintained solidarity and have been unafraid to use the lock-out.

These strengths exist in the face of some obvious

avenues for weakness. In an association such as the

Bureau, some firms are more able to withstand a strike

than others. Thus there will always be a few firms the

unions can attack to / <sup>conclude</sup> an early agreement. In Ontario,

as mentioned, this occurred in the lengthy strike in 1966.

As soon as the union struck, the remaining companies locked-

out their employees. This puts the burden on the union

because employees who are locked-out are not eligible for

unemployment benefits and so must be supported by strike

funds. This decreases the union's ability to withstand

a long strike. The companies have remained strong during

the strikes and only a very few ( all quite small ) have

broken the strike activity by signing an agreement early.

The lack of the open-end grievance procedure prevalent

in the United States takes some power away from the trade

union and the companies in Ontario are not constantly under the

threat of strike.

(2) AIMS OF THE PARTIES

In Ontario, the Bureau's aim is to further the cause of peaceful mature collective bargaining relations. Also, the aim is to present a united front for bargaining purposes. However, the overall goals are more than this. The Bureau, as mentioned, is more than just a collective bargaining agency. Its role in arbitration, mediation and conciliation is as the representative of the member companies. In addition the Bureau Staff are present at the monthly meetings. This means that one agency is closely associated with all details of the union-management relations and can therefore act intelligently and quickly when problems arise. The Bureau has the task of speaking for the employers before various commissions. Once again the depth of experience gained over 20 years puts the employers in a favorable position vis-a-vis the union in such matters.

The union has had problems from within and from outside. The factions in the union have caused problems which have affected the bargaining power and striking power. These internal problems have also led to the poor "press image" of the Teamsters. The union is often held up as illegitimate and an example of one of the "evils" of "big labor". The union in many ways deserves this label and will have to mend some fences before its strength will solidify. The factions within the union are reputedly political and are said to have leftist leanings. The aim of these groups is not clear. This researcher cannot answer the question of whether the local is being used as a base for political goals or whether, the political affiliation is being used as a basis of strength for the union. The Ontario Teamsters do hope to unify their various factions into a strong

cohesive unit to gain their goals - among them wage parity.

At the same time the union does not feel collective

bargaining can solve some of their problems - brokers for

example. This will require legislative action according

to union officials. Although the attainment of some goals

will require governmental help, the Ontario Teamsters re-

fused to submit briefs to various commissions inquiring

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into labor relations matters.

The Automotive Transport Association of B.C.

has as its primary aim the consolidation of power amongst

its membership. This power consolidation is directed

toward being able to bargain on a more equal footing with

the union. In the absence of any cohesion within the

Association, it has diverted its actions from those which

will bring it into direct contact with the Union, to those

things which it can accomplish through the legislative route.

23. The union refused to submit a brief to the Rand Commission for example.

The Association's actions have been to petition government concerning the use of the injunction and the existing strike-vote machinery etc. in the Province. It can be expected that the Automotive Transport Association will continue to direct its efforts in this manner in the future. It is therefore the primary aim of the Association to limit the power of the Teamsters Union through legislation.

The Teamsters Union in British Columbia on the other hand, seeing the action taken by the Automotive Transport Association, is also engaged in a political campaign, concerning the various issues. Having amassed the power and control it now holds, the Teamsters Union now seems content to hold the line rather than strive for more. Efforts are directed in the bargaining sphere towards fringes in the form of social benefits, and the Union would seem to have, at least from the leadership point of view,

little interest in "holding up" the employers. The Union has been active in submitting briefs to sundry Commission Inquiries etc.

In the Province of Quebec the Employers' Association would seem to have as its principle aim the maintenance of the legal structure governing labour relations in the trucking industry. The Decree Relating to the Cartage Industry undoubtedly favours the employers in the battle for bargaining strength in that it makes it rather difficult for the Union to expand their membership. Under the leadership of Ray Green, some of the internal problems have at least been calmed for the present, and the union seems to be taking the only route available to it, that is to say the legislative route, to increase its power at the bargaining table. However, the Province's background in labour relations would seem to indicate a tightening of government control

over the bargaining process rather than a more "laissez-faire" attitude. While there is therefore a marked potential for serious labour unrest and an outbreak of work stoppages, the legal system may be able to contain such disturbances.

### (3) PERSONALITIES

As in the United States, personalities are very important in the collective bargaining relationship between Teamster and trucking firms. In Ontario the president of the Hamilton local - Ray Taggert is also president of the Joint Council and chairman of the bargaining committee in the over-the-road freight section of the industry. Mr. Taggert is considered by union and management to be an intelligent negotiator. His ability is not in question. He was part of a "rebel" group that took part in the internal strife evident in the 1965 - 1966 negotiations. Taggert

emerged as a strength within the union and can count on a majority of the Joint Council Executive in supporting his decisions. Mr. Taggart indicated that a national contract was desirable but would not become a reality until the internal problems in Ontario have been solved and not until the power centres that are in evidence across Canada are reconciled.

The outstanding personality on the west coast in the Teamsters Union is undoubtedly Ed Lawson the Union representative for the Western area and president of the Joint Council in Vancouver. He is regarded by Teamsters throughout the country as the man most likely to take over Casey Dodd's position, if the position was ever endowed with

any real teeth. Any talk of a national contract or unification of any Union aims within Canada seems to emanate from the West coast and centre around Ed Lawson. He is an intelligent, well-spoken and likeable individual, and commands the respect of both the Union membership and the Employers' Association within the Province. He has demonstrated a realistic attitude toward the bargaining process and while he is a tough negotiator he is well aware of the problems facing the industry as a whole and has based his demands with these in mind.

The general manager of the Trucking Association in B.C., Bill Morris, is also a capable and likeable individual. However his efforts are mainly directed toward achieving some agreement and cohesive action within the association, and while he maintains a close relationship with the union, his hands are pretty well tied when it

comes to any serious bargaining. His position and personality are not such as to allow him to dominate the Employers' Association and therefore no really dynamic leadership is evident.

The contact man for the Trucking Association in Quebec is Mr. Camille Archambault, Assistant to the President and Director of Public Relations. When we met it was in the company of Mr. Paul Laframboise, the Administrator for the Trucking Parity Committee for the Montreal region. Mr. Archambault in effect stated that anything he had to say could in fact be said by Mr. Laframboise. This seemed to be a good indication of the close relationship between the management group and the legislative group.

The head Union man, Ray Green, has had a history in Canada of being Washington's man. During the 100 day strike and the Union struggles immediately prior to it,

he was several times made trustee of the Toronto Local. When Lloyd Merritt finally gained control of the Toronto situation, Ray Green was sent to Montreal as the Teamsters representative for the Eastern region, and has in fact a trusteeship over the Joint Council's activity. He is an American, and speaks no French. His history in the union is a long one, and he is a staunch supporter of Hoffa and his successors.

#### (4) LEGAL FRAMEWORK

The legal framework in the trucking industry is only really unique in the Province of Quebec with the existence of the Decree Relating to the Cartage Industry. The Decree, created under the provision of the Collective Agreement Act of 1941, and Amendments to it are made through petitions by the Minister of Labour to the Lieutenant Governor in Council. The Decree is very similar in content to an ordinary collective bargaining agreement and covers the same subject matter as do regular agreements. The only difference between the two, basically,

is that the Decree bears the Seal of the Province of Quebec. This decree, with the consent of labour and management, sets down the rules for all firms engaged in the trucking industry. It applies to union and non-union companies alike and therefore tends to inhibit the growth of unionization in the industry in Quebec. Its coverage includes wage rates, social security, vacations, hours of work, grievance procedures, etc.

#### (5) ECONOMIC CONDITIONS

Comments have already been made concerning the growth of trucking in Canada in a general way. This section will consider the profits of the trucking industry - in particular, the operating ratios (operating profits as a per cent of operating revenues). There are numerous problems when profits are discussed for trucking. The industry is composed of a few large firms and numerous small firms and independent operators. Profits for the latter two cases are often not reported because the companies issue no public profit and loss statements. Also, the trucking industry is divided into revenue

classes and licence classes. Profits should be divided according to these classes rather than aggregating them for the economy. However, the data are not divided this way. D.B.S. does present figures for the various revenue classes of the for-hire section of the industry. The data show that the operating ratios in Ontario are higher than the ratios for all Canada in all years except 1962 <sup>24</sup> -- a heavy strike year in the Province.

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The trucking industry in British Columbia has grown in recent years along with the general economy of the province. B.C. has experienced a prolonged business boom since 1962 and economic conditions have been such that employers have been able to meet the growing wage demands of the union. The trucking industry itself in B.C. is under-capitalized and highly competitive, and this has been a main factor in preventing employers from forming a more cohesive association. Each one is afraid that his competitor during a strike will open for business and that once business is lost in such a way it will be difficult to regain it, and the weak capital structure of the company will be unable to afford a prolonged stoppage or slow-down. Rather than run the risk of such a financial cataclysm the employers have been willing to meet the union demands.

In the Province of Quebec, while the economy has been booming over the last five years, wage rates have lagged behind other parts of Canada<sup>25</sup>, and it might be suspected that the trucking industry is not being run in the most efficient manner possible. While employers have given small increases in wages, they have been able to hide behind the Decree, and do not face a strong union. threat. It is therefore difficult to ascertain whether the industry could support higher wage levels.

#### (6) ECOLOGICAL

The Rocky Mountains rather successfully separate British Columbia from the Prairies with regard to trucking.

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25. In 1963, average earnings in Quebec were almost \$600 behind Canada. See An Analysis of the Quebec Trucking Industry, Eastern Conference of Teamsters, Sept. 1965.

The axis of influence on the union side is definitely a north-south one with Teamsters in British Columbia being in close contact with their American affiliates in Seattle. At the same time the number of runs for over-the-road trucking is limited due to the lack of a number of large centres between which trucking is carried on. The terrain is rougher than that used on the trucking routes in Ontario, and the runs characteristically longer. A run over the Rockies is both a lengthy and arduous one, and the truckers as a result have strong feelings concerning the independence of their action and regulations concerning hours of work, etc.

The physical barrier of the Rockies prevents close communication between either the Union group in Alberta or the Employer group. The economy of British Columbia for the purposes of this study, can be considered a separate unique entity.

Somewhat the same conditions apply in Quebec, where few large centres exist. Most of the over-the-road trucking in Quebec is carried on between Montreal and Toronto, and governed by the agreement negotiated by the Motor Transport Industrial Relations Bureau in Toronto. The Island of Montreal can almost be considered a separate entity from the Province of Quebec, and the unionized sector of the trucking industry is concentrated there. There are two regions under the Decree Relating to the Cartage Industry, of which Montreal is one. The other region takes in Quebec City and environs.

As a general rule the trucking industry in Quebec is one of short rather than long haul and operators tend to be small.

(b) THE SYSTEM THAT EMERGES

In this section, description of the bargaining procedures will be given as well as the problems that appear to have arisen in these procedures - in strikes, wildcats and violence. The bargaining system is not unique in terms of the procedures - i.e. multi-employer bargaining - but is somewhat unique in the way in which the system operates largely due to personality and ideological problems.

In Ontario the Bureau bargains on behalf of its member employees is already mentioned and has done so since 1944. The member employers elect representatives to sit on the bargaining committee and of course Mr. Donaldson from the Bureau is also on this committee. The Bureau bargains with the union over several agreements: Southern General Freight, Maintenance Workers, Northern General Freight, Car Carriers, Ontario-Quebec General Freight,

Lakehead Agreement and several individual agreements.

The union has a more elaborate structure for bargaining purposes. Mention has already been made of the Joint Council. The 11 locals in the province elect 7 members each to sit on the joint council. Thus the entire council consists of 77 union members. The executive is made up of 7 of these Joint Council members. At present Mr. R. Taggart of the Hamilton local is President of the Joint Council. With this executive body the ideological alignment favored Mr. Taggart. A union official indicated that four of the seven were of one mind, one opposed and two undecided. Regardless of these two, the vote can be predicted. For bargaining purposes, a smaller committee from within the Joint Council is elected. Usually three members from each of the locals is chosen for bargaining purposes. The committee is then subdivided into the

locals who bargain over each of the agreements mentioned above. Thus, there are five locals covered by the Southern General Freight Agreement, - locals 91, 141, 880, 879, 938. The bargaining committee of 15 then elects a chairman. This has been Mr. R. Taggert.

There is an interesting history underlying the current power relationship between the Joint Council as now constituted and the Bureau. The underlying currents are partly responsible for the strike action and the length of the strike action in current years<sup>26</sup>. Detailed research would be necessary to discover the true causes of the union management conflict and internal union conflict. The items reported here have been taken from newspaper accounts,

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26 The strike activity and attendant violence have been presented in the public press.

and reports submitted to commissions. As such the report is an account rather than an analysis.

The Toronto local -938- was the beginning point of the internal conflict in the early 1960's. A faction emerged during the trusteeship in this period and Mr. K McDougall was elected, defeating the candidate supported by the "rebels". This group challenged the leadership of McDougall throughout the 1962-1965 period and as will be seen were successful<sup>in their challenge</sup> during the strike in 1965-66. The election of Mr. McDougall was not without problems - he had to challenge the voting procedure before he was successful in getting his name on the ballot.

The trouble begins again with the contract negotiation in 1965. This period marked the height of the internal conflict and the successful emergence to power

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of the rebellious group . The contract deadline was September 30, 1965. Negotiations began a few weeks before this but no agreement had been reached by mid-September. Wages and hours of work were the two contentious issues. The union bargaining committee and management representatives had reached tentative agreement on the monetary issues and with the help of conciliation officers drafted a memorandum which included: a 42 month contract; reduction in hours from 48 to 43; an increase of 53¢ in wages and a fringe benefit package. Non-monetary items remained to be settled.

In the first week of October wildcat strikes began and their occurrence was blamed on the rebel group.

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27 'For a more detailed account of the strike history see, "News from the Ontario Department of Labour" Vol. 1, No. 3, A Brief History of the Teamsters Strike .

The wildcat strikes began in Oshawa and Cooksville and spread rapidly throughout the province. The Ontario Department of Labour indicates the following chronology:

<u>DATE</u>	<u>PLACE OF STRIKE</u>
October 3 -	Oshawa, Cooksville
4 -	London
5 -	Toronto, Windsor, St. Catharines, Peterboro, Waterloo, Niagara Falls.
6 -	Hamilton

A total of 3178 workers had joined in these strikes, with a resultant loss of 26,070 man days<sup>28</sup>. The wildcat strikes were the rank and file reaction to the proposed contract terms. Undercurrents of dissatisfaction were also appearing with the leadership of McDougall as head of the union

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28. Ibid.

negotiating committee. The end result was rejection of the proposed contract terms. Charges have been made that the rebel group spurred the rejection on. However, it is difficult to decide whether the rejection was a true grass roots reaction or a manipulated reaction. The wildcat strikes were organized under a "no contract-no work" banner.

A Conciliation Board was appointed in late October. The Toronto local, about the same time as this appointment, declared non-confidence in McDougall and he was ousted from leadership of the local and Mr. C. Thibault was elected. Thibault was a member of the rebel group at that time. Minor skirmishes continued, until in December, James Hoffa put the local under trusteeship and appointed Mr. R. Greene from the Eastern Conference as trustee. The effect of this was to re-instate Mr. McDougall as

business agent. During the period attempts were being made to negotiate the contract but the Bureau was never sure who held the power of decision in the union. Power relationships were constantly changing and no cohesive bargaining position was maintained except that of rejection of the companies' offer.

The effect of the internal conflict was a further non-confidence in McDougall. Mr. W. Sefton of the Windsor local questioned the leadership and external strife and indicated that re-assessment was needed. He agreed that strike action would be necessary and urged the union leaders to close ranks. One of the items causing concern at this time was the company charges laid against the union - lawsuits and disciplinary action. The union labelled these as "reprisals" and made their removal a condition of settlement. Mr. R. Taggart withdrew from the

bargaining sessions because the Conciliation Board would not consider the issue of reprisals.

The Board report was tabled in late December and the Joint Council of the union recommended rejection. The union prepared for strike action and on January 21, 1966 struck, Consolidated Truck Lines and two other companies. The other members of the Bureau then locked-out their workers. Immediately after this, Taggart replaced McDougall as Chairman of the Bargaining Committee.

Throughout the wildcat strikes and the legal strike, violence flared and was attributed to the rebel faction. Whether the violence was organized or the result of a few hotheads will not be known. The rebel group did have control of the locals with respect to voting and other matters that take place within union headquarters. This led to the supervision of balloting on the contract

terms by the Department of Labor. Ballots were mailed directly to union members. The strike lasted 15 weeks and the result was: a reduction in the work week to 40 hours by January 1, 1968; wage increases of 70¢ per hour and 1.6¢ per mile plus a fringe benefit package with increases in vacations, pensions and health and welfare benefits.

Evidence of the system that has emerged can be found in statistics concerning the level of strike activity and the method used to effect a contract settlement. The statistics have been compiled by the Department of Labor for Canada<sup>29</sup>. Regional breakdowns were made, in addition, to reflect the problem areas - Ontario.

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<sup>29</sup>. Data covers only those bargaining units of 500 employees or more.

Table # 1 indicates that strike activity was most severe in 1966 and 1962. These periods - for Ontario - represent the period of conflict in the union. These strike figures do not include wildcat strikes. The figures for these have been indicated earlier. Table 2 shows the stage at which negotiations ended by the year agreements were signed.

The percentages refer to employees covered rather than contracts negotiated. The Table shows no consistent pattern across/ <sup>Canada</sup> of great increase in strikes or decreases.

The contract negotiations appear to be settled by bargaining, conciliation officer or strike in most cases. Arbitration of interest disputes has not taken place in this industry.

When these aggregative figures are broken into Provinces and regions, a clearer pattern emerges -

Table 3. In British Columbia only one strike/called over <sup>has been</sup> contract negotiation impasse since 1953. In the other

three negotiations the contract was settled by collective ... bargaining - in one instance aided by conciliation procedures. In Quebec, strikes have been more frequent and use has been made of the conciliation process. The Quebec unions and managements have settled contracts through the "free" bargaining process. In the Prairies, the sample is very small. However, the negotiations have always ended with the conciliation officer. This may indicate a lack of ability or maturity on the part of both sides. However, this researcher has not been able to inquire into this situation and no firm conclusion can be drawn.

In Ontario, a clear pattern emerges. The three sections represented in the figures show that in only one instance - 1959 negotiations with the carriers - was the contract settled in the process of

TABLE 1 - Strikes in the Trucking Industry  
by Signing Year \*

<u>Signing Year</u>	<u>Number of Strike Days</u>	<u>Number of Negotiations Year</u>	<u>Average Length of Strikes - Days</u>
1953	36	1	36.0
1954	0	0	0
1955	0	1	0
1956	0	2	0
1957	0	0	0
1958	3	3	1.0
1959	10	3	3.3
1960	0	0	0
1961	0	1	0
1962	183	6	30.5
1963	0	0	0
1964	0	3	0
1965	5	2	2.5
1966	200	3	66.7

\* Source: Canada Department of Labour, 1968

N.B. The number of negotiations in the year refers to the total number, not just those ending in a strike, thereby assuming, for purposes of calculating the average length of strikes, that non-strike negotiations had a strike of zero days.

TABLE 2

Stage at which Negotiations Ended as a Function  
of Signing Year - Canada \*

	<u>Conciliation Bargaining</u>	<u>Officer</u>	<u>Conciliation Board</u>	<u>Post Conciliation Bargain- ing</u>	<u>Post Strike</u>	<u>Post Strike Bargain- ing</u>
1953					100%	
1955		100%				
1956		15.7%		84.3%		
1958			88.6%			11.4%
1959		27.9%			39.3%	32.8%
1961			100%			
1962	9.8%		4.1%	6.3%		79.9%
1964			100%			
1965	50%				50%	
1966			6.4%			93.6%

\* Source: Canada Department of Labour, 1968

TABLE 3

Stage at which Negotiations Ended by Signing Year - Provincial and Regional Areas

	Quebec Motor Transport Association	Quebec Truckers Association	Prairies	MTIRB	Ontario Mechanics	Ontario Car Carriers
1953					Strike 36 days	
1955					Conciliation Board	
1956	Bargaining					
1958		Strike 10 days		Post Strike Bargaining	Conciliation Officer	
1959	Post Conciliation Bargaining					
1961		Strike 83 days		Conciliation Officer	Conciliation Officer	Strike 50 days
1962	Bargaining				Conciliation Officer	
1963					Conciliation Officer	
1964					Conciliation Officer	
1965	Strike 5 days			Bargaining	Strike 100 days	Conciliation Officer
1966					Conciliation Officer	
1968					Bargaining	



bargaining. In the other cases, strikes and / or conciliation procedures were required to effect a settlement. In fact, in bargaining done by the MTIRB in the freight sector, only the most current contract, 1968 was settled at the end of collective negotiations.

It should be mentioned that in instances where negotiations were ended by strike or conciliation, bargaining was still used to reach agreement. The data presented in Tables 2 and 3 only indicate that in some cases the collective bargaining system broke down for a period. In all cases reported, the two parties fashioned the contract by means of negotiation - during the strikes bargaining continued. The pattern presented however does lead to the conclusion that the industry is unstable in union management relations. In particular, Ontario shows greatest instability.



OUTPUT

It would be impossible to compare every contract term across Canada. There would also be little benefit since many of the terms are similar while others are specific to a particular company and local. There is such a comparison made for the United States. The latest edition available was 1966<sup>30</sup>. This contains a term by term comparison. The compilation of this Document arises largely from the existence of a national contract where concern for standardization is much greater than in Canada. This section of the study will compare four contract clauses; wages, hours, brokers, and piggyback operations. These items are the more important ones in the Canadian situation. The majority of the comparisons will use Ontario, clauses supplemented by Canadian and U.S. example.

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<sup>30</sup> "National Freight and Supplemental Agreements" prepared by Eastern Conference of Teamsters, February, 1966.

(1) WAGES

This comparison is made in terms of base rate changes rather than an average weekly wage. Data from the Department of Labour indicate that the Bureau-Union agreements in Ontario have shown the largest increases in base rates. See Table 4.

TABLE 4

Changes in Base Rates 1953 - 1965 (in dollars)

	<u>1953</u>	<u>1955/1956</u>	<u>1958/1959</u>	<u>1961/1962</u>	<u>1965/1966</u>	<u>1953-1965</u> %
British Columbia	NA	1.60	1.80	2.18	2.33	.73
Ont. MTIRB	1.23	1.43	1.61	1.78	1.99	.76
Ont. Mechanics	NA	NA	1.59	1.76	1.96	.37
Ont. Car Carriers	NA	NA	1.62	1.80	1.98	.36
Que Motor Transport Bureau	NA	NA	1.25	1.49	1.75	.50
Que. Truckers Assoc.	NA	NA	1.27	1.47	1.71	.44
Prairies	NA	NA	NA	1.82 <sup>31</sup>	1.95 <sup>32</sup>	.43

<sup>31</sup> This is lowest figure for Prairies

<sup>32</sup> This is highest figure for Prairies

British Columbia is very close to Ontario. A comparison between the years 1961 - 68 in Ontario and similar years in the Central States Region of the United States reveal the following comparisons. See Table 5.

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TABLE 5

Comparison of Hourly Rates by Year 1962 - 1968-  
Ontario General Agreement - Zone 2 and U.S.  
Central States Conference

	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>
City Drivers - Ont.	1.83	1.92	1.98	2.00	2.25	2.45	2.70
City Drivers - U.S.	2.84	2.94	3.07	3.15	3.25	NA	NA

SOURCE: Contracts and National Freight Study, Ibid.

From this Table it can be seen that Ontario, even though leading other areas in Canada is well behind the United States. This has changed in the most recent contract; however, these data are not available. The newspaper accounts indicated that the union gained wage parity with drivers in Detroit. The wage differences are also obvious in the milage rates. In Ontario in 1966, these rates ranged from 7.6¢ per mile to 8.0¢ per mile. In the Central States Region the range was 10.25¢ - 11.125¢. The difference in these two sets of wage rates can be at least partly attributed to differences in union strength in the two countries.

In Canada, in the regions where data are available from the Department of Labor, the most recent increases have been the largest since the 1950's. In every region,

the wage increases through 1965 were of the size 4¢ -

9¢. In 1965 the wage increases ranged from 10¢ - 25¢.

Thus the union has been able to achieve higher wage

gains recently. The reason for this was at least

partially due to the fact that 1962 to the present has

been a period of sustained economic growth and inflation.

Unions saw the negotiations in the 1965-68 period as the

time to make <sup>up</sup> their apparently falling real wages.

(b) HOURS

Concern over hours has begun to diminish in  
the recent contracts. When the Canada Labor Standards

Code was passed, the trucking industry was exempted until

July 1968. The Code set 8 hours/day and 40 hours per

week as the standard for all industry with the above exception.

A study undertaken by C.A.L. Murchison indicated that

65% of highway drivers worked more than 48.1 hours per week

and 29% worked 60.1 hours or more<sup>33</sup>. In Ontario the figures were 63% and 24% respectively. The province with the highest proportion of highway drivers in the 60.1 hours and over category was Manitoba with 56%. In the general freight section of the industry, 56% of highway drivers worked 48.1 hours or more and 18% worked over 60 hours<sup>34</sup>.

These are actual hours worked rather than contract specifications. Table 6 shows the progression in hours changes in the contracts available, through the Department of Labour. These figures show that only British Columbia has been at the standard set by the Code. The other areas have some reductions to make before compliance with

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33 'C.A.L. Murchison, "Hours of Work in the Trucking Industry Under Federal Jurisdiction", October 1967, Canada Department of Labour, p. 93.

34 Ibid.

the code is met. There is some discrepancy between these figures and figures taken from contracts available in Ontario.

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TABLE 6

Hours in the Trucking Industry in Canada 1953-1966

	<u>1953</u>	<u>1955/56</u>	<u>1958/59</u>	<u>1961</u>	<u>1964</u>	<u>1965</u>
British Columbia		8/40	8/40	8/40	NA	8/40
Que. Motor Transport Bureau	NA	NA	10/55	10/50	NA	10/50
Que. Truckers Assoc.	NA	NA	10/50	10/50	10/50	NA
Ont. MTIRB	8/48	8/48	8/48	8/46	NA	8/46
Ont. Mechanics	NA	NA	8/48	8/48	NA	8/48
Ont. Car-Carriers	NA	NA	8/48	8/48	8/48	NA

SOURCE: Department of Labour

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In this province the hours progression as stated in the contract is as follows:

1961-1965 - limit of 10 hours/day and 48 Hours/week  
except locals 141 and 880 where limit  
was 9/46.

1965-1968 - 1965 limit - 9 hours/day, 44 hours/week  
1967 limit - 8 1/2 " " " , 42 " " "  
1968 limit - 8 " " " , 40 " " "

Thus, in Ontario the agreement <sup>coincides</sup> ~~concerns~~ with the Code for hourly paid workers. The fear was expressed when the Code was first passed that workers would free-lance -- i.e. work their allowed number of hours with one employer and then drive for a second employer the rest of the week<sup>EN</sup>. This could be partially solved by instituting the "log-book" prevalent in the United States.

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<sup>EN</sup> Murcheson, Ibid p. 73.

This problem <sup>only</sup> exists when highway drivers are considered. The hours regulation of 8/40 are applicable to non-highway drivers - i.e. dockmen, warehousemen etc. However, the problem of free-lancing and log books become reality only in the case of highway personnel. Here the work week is stated in terms of mileage and hours. The fear was that if too low a limit was placed on hours or mileage then free-lancing would occur. The Murchison report recommended the following: "no motor carrier shall permit or require any driver used by it to drive nor shall any such driver drive more than ten hours following eight consecutive hours off duty or drive for any period after having been on duty twelve hours.... No motor carrier shall permit -- any driver -- to be on duty -- more than sixty hours in any week"<sup>36</sup>."

In Ontario the contract states the maximum distance for highway drivers is 2100 miles and that a driver can 'book off' after 1800 miles or 48 hours. There is little question that some limits must be imposed on drivers

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<sup>36</sup> 'Murchison, Ibid p. 87.

will be on the highways operating under unsafe conditions.

(6) BROKERS

In British Columbia the problem of broker-owners is not a very pressing one for the Teamster's Union. The General Master Agreement between the General Truck-Drivers and Helpers Union Local 31, of Vancouver, B.C. and the Automotive Transport Labour Relations Association of British Columbia, provides that owner-operators and/or owner-drivers shall be designated as employees and thus entitled to the terms of the agreement. The clause in question reads as follows: "Owner-operators and/or owner-drivers shall be designated as employees of the Company on the payroll of the Company and be entitled to the terms of this Agreement. The Company shall pay all reasonable costs, including depreciation for a motor vehicle or other mobile equipment provided by the employee

for the use by the Company, to the said employee in connection therewith while such motor vehicle or other mobile equipment is actually in use on behalf of the Company, and shall be paid by the Company to the employee in addition to all wages payable hereunder".

Although the Teamsters have not so far enforced this clause, it is sufficient to discourage this type of operation because it means that if and when it is in force the cost of having owner-drivers will be equal to, or in excess of, the cost incurred in hiring union employees, depending on the owner-drivers negotiated contract terms of service.

In Ontario, The General Agreement, Over-the-Road, City Cartage and Dock, between the Teamsters, Locals 91, 141, 879, 880 and 938, and the Motor Transport Industrial Relations Bureau of Ontario, dated 28 July, 1966, which represents coverage of the major part of Ontario and serves as a pattern for the Northern General Freight Agreement in Northern Ontario, attempts to regulate the use of broker-operations as closely as possible. The agreement states that any member company having broker operations in effect at the time of the signing of the agreement may continue such operation. However, in the event a member company wishes to introduce or extend broker operations it is agreed that no union drivers will be laid off as a result. Also in the event the member company increases or introduces brokers on runs co-mingled with union employees, the company agrees

to guarantee the number of highway jobs for union employees and will have one regular driver for each broker engaged. The company is also required to remit an amount equal to local union dues for each broker it uses. Thus, within the bounds of legal leasing operations the union has been able to control the spread of this type of operation.

In the Province of Quebec, legislation allows a maximum of 10% of any fleet to be in the form of leased or broker-owned vehicles. As a result of this legislation the Union in Quebec is not particularly concerned with the broker-owner problem. However, as in Ontario, the illegal operators are still a problem.

It should be noted that most of the over-the-road trucking in Quebec is done between Montreal and Toronto, and this is covered under the agreement between

the Teamsters and the Motor Transport Industrial Relations Bureau of Ontario.

In the United States, the contract clauses are different than those found in Ontario. The United States Agreement defines "Hired or Leased Equipment" as:

ARTICLE 38.2(c) In all cases hired or leased equipment shall be by an employee of the certified or permitted carrier. The employer expressly reserves the right to control the manner, means and details of, and by which the owner-operator performs his services, as well as the ends to be accomplished.

This clause refers to equipment that is leased. There is a separate Article to cover the owner-driver-Article 59. In this Article, the "owner operators other than certificated or permitted carriers shall not be covered by this Agreement unless affiliated by lease with a certificated or permitted carrier...." If such an owner is used - i.e., an owner-driver, then the contract specifies the conditions under which the company and driver may operate - mileage rates, guarantees of continuous work for union drives

(similar to Ontario), seniority (owner has seniority as a driver only), and minimum lease period (30 days).

The union has been reasonably successful in monitoring the working conditions of owner-operators. Owner operators whose driving does not fall under any jurisdiction can violate safety laws, and wage and hour laws. Whether the collective agreement can adequately cover these operations is doubtful without limiting the employer's flexibility in winning his business. Government supervision of hours, mileage and maintenance - by means of the log book may be required.

(d) PIGGYBACK

The sections of the agreements covering piggyback operations specify that no employment effects can result for employees with 3 or more years seniority - Article 31, Ontario, 1966. The contract further states that the union must be consulted before such operations are



undertaken to allow re-allocation of the employees affected. There is a provision for "bumping" less senior men if a highway driver is affected.

In the United States, the National Master Agreement covers "piggyback", "fishyback", "birdyback", and "barge" operations. Article 29.1 states,

"The union reserves the right to re-open this Agreement for the purpose of negotiations for employers engaged in operations which combine with or are part of other methods of transportation... If the parties are unable to agree upon such matters, the union may engage in lawful economic recourse in support of its demands".

In addition, if the two parties cannot agree to a solution to the problems of combined transportation, the employer must pay \$5.00 "for each trailer or container placed on or delivered to rail flat cars, birdy back, fishyback or barge operations" to the union Pension or Health and Welfare Fund.



CONCLUSIONS

The foregoing is an attempt to look at the system of Industrial Relations in the Canadian Trucking Industry. The scope of the topic is very large and is too large for one study. The Canadian trucking industry is not a cohesive, unified one but is distinctly regional. The major centre is Ontario with British Columbia close to Ontario. The Rockies separate the industry. An interesting fact mentioned by both union and management personnel was the North-South orientation rather than the East-West contact. This has a definite impact on the possibility of a National Agreement in Canada. Canadian locals continually look South for guidance and as mentioned, the research function of the union is carried out in the United States.

There is no national figure in Canada to pull the scattered locals together. In addition, there are few trans-continental companies which means there is less opportunity for the type of leverage exercised by the Teamsters in the United States. The problem of lack of a national leader is compounded by the lack of strong regional leadership as well. This is most noticeable in Ontario where leadership fights have been the norm rather than the exception. The various regional figures are building their own power centres rather than working together.

The relations in Ontario are remarkably unstable. The International has placed the Toronto local under Trusteeship and the other locals in the Province have shown unstable tendencies as well. The goal of the political faction in Ontario is unclear. The short-run

results have been instability, internal conflict, inconvenience for the public, violence and frequent strike.

It is significant that the Ontario Agreement was signed this year, well before the deadline of September 30. The Bureau and the Union may be able to conduct negotiations on a more mature basis in the future. This occurrence may have resulted from the solidification of the "rebel" faction's position in Ontario and the resultant "one voice" speaking for the union in negotiations.





